

ENA cross-submission on ECTF initiative 2a

Cross-submission to the Energy Competition Task Force

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INDUSTRY/AREA OF INTEREST

Utilities/infrastructure

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1 Introduction

Electricity Networks Aotearoa (ENA) welcomes the opportunity to make a cross-submission on the recent Energy Competition Task Force Initiative 2a – *Requiring distributors to pay a rebate when consumers supply electricity at peak times* (2a paper or 2a proposals).

ENA is the industry membership body that represents the 29 electricity distribution businesses (EDBs) that take power from the national grid and deliver it to homes and businesses (our members are listed in Appendix A).

EDBs employ over 7,800 people, deliver energy to more than two million homes and businesses, and have spent or invested \$6.2 billion in network assets over the last five years. ENA harnesses members' collective expertise to promote safe, reliable, and affordable power for our members' customers.

2 Executive summary

Our original submission¹ stated our support for the intent of the Energy Competition Task Force (ECTF or Task Force) and Electricity Authority (Authority), to increase the security of supply and lower costs to consumers, through supporting more small-scale solar and battery. However, it also raised concerns about the practical implementation challenges, the evidence base supporting some of the proposals and the absence of sufficient consideration for distribution-level impacts.

This cross-submission considers submissions made by other parties in response to the 2a consultation, noting where these both agree with our position and where there are points of difference. ENA continues to stand by our original submission and whilst not every point we made is referenced again in this cross-submission, we continue to encourage the ECTF to consider all points made in our original submission.

In summary, the submissions appear to show:

- Support for empowering consumers to make informed choices and get rewarded for their contribution to the wider electricity sector
- Mixed views on the problem statement and the workability of the proposed solution
- Limited support for the idea that the proposed solution will change consumer behaviour and result in the changes the Task Force are seeking.

The ECTF should consider these submissions and cross-submissions carefully and reconsider whether there is enough value in the proposal to warrant the cost and effort of implementing the rebates. ENA particularly supports the EEA submission² and its analysis of practical implementation considerations.

We also highlight a significant concern with how the Authority appear to view the role of EDBs according to a response we have noted in the Q&A upload.³

The ENA continues to support efforts to improve market transparency and competition but urges caution around specific interventions that may have wide-reaching operational and investment impacts. We appreciate the opportunity to respond to other stakeholders' views and believe this process is valuable in highlighting areas of convergence and divergence. We look forward to continued engagement as the EA and ECTF refine the proposals.

¹ ENA, [ENA submission on ECTF initiatives 2a, 2b and 2c and Authority DGPP issues paper](#), 26 March 2025

² EEA, [O_EEA_2A2B2C_submission_2025.pdf](#), 26 March 2025

³ Electricity Authority, [New ways to empower electricity consumers webinar Q and As.pdf](#)

3 Key feedback themes

This section sets out ENA's views on the key themes from the submissions.

3.1 Role of an EDB

ENA are extremely concerned by a response from the Authority in the Q&A document associated with this consultation.⁴ The Authority states “distributors are required to consider uptake incentives when setting rebates. Distributors should consider setting stable rebates for sufficient time to get an efficient amount of investment response.”

This suggests that the Authority is moving away from the idea of cost-reflective pricing principles, but rather expects an EDB to incentivise mass-market DG investment regardless of cost and price impacts. This clashes with the rest of the consultation, which seeks to minimise cross-subsidisation.

We strongly object to this implication and reiterate that it is not an EDB's role to subsidise consumer investment. EDBs should only incentivise consumers to the extent that there is a network benefit.

3.2 Problem definition

While ENA understands the ECTF's objectives, we outlined in our submission why we do not fully support the problem definition. Existing pricing principles already encourage EDBs to reward consumer benefits, and—as several submitters note—the issue is more complex than presented.

FlexForum calls this a “complex topic with dependencies across issue and topic siloes and no straightforward solutions.”⁵ Others argue that the case for regulatory intervention is unproven,⁶ noting the market is already evolving to provide relevant price signals.⁷

Consumers also question the framing, with one stating that there are far greater problems with wholesale market design, retail plans, and generation capacity and these should be addressed first.⁸ Another noted that “the problem statement and the economic arguments supporting the solutions are cursory,”⁹ raising concerns about reliance on submitter support alone to justify regulatory change.

ENA maintains that the benefits from small-scale, ad hoc injections are overstated, as is the likely behavioural response to small rebates. As reflected in multiple submissions, we recommend the ECTF reconsider the problem framing.

3.3 Beneficiaries of 2a proposals

In our submission, ENA supported limiting the 2a proposal to mass-market customers. Some submitters appear to view this as an issue of fairness or exclusion, with non-mass-market injectors are being excluded from any compensation scheme, but that's not the rationale.

As we and others - such as ERANZ, Genesis, Meridian, EEA and some consumers - highlighted, larger providers are “better placed than consumers to contract directly with distribution companies to be

⁴ Electricity Authority, [New ways to empower electricity consumers webinar Q and As.pdf](#), page 4

⁵ FlexForum, [O FlexForum 2A 2BC submission 2025.pdf](#) March 2025, page 6

⁶ Genesis, [R Genesis - 2A Submission 2025.pdf](#), March 2025, page 1

⁷ Meridian, [R Meridian 2A 2BC submission 2025.pdf](#), March 2025, page 2

⁸ Nu'ulī'itia Andrew Redwood, [C Nuulī'itia Andrew Redwood 2A submission 2025.pdf](#), March 2025, page 1

⁹ Greg Williams, [New ways to empower electricity consumers](#), March 2025, page 12

recompensed for the value their injections provide to the network.”¹⁰ The barriers are “most acute for mass-market customers,”¹¹ who typically lack the scale or sophistication to negotiate tailored arrangements.

Larger consumers and generators are more likely to have existing contracts with distributors or the grid, and their injections tend to be more predictable and significant—making bespoke arrangements more appropriate.

We also reiterate our support for including inflexible generation within the scope of the 2a proposal, provided the ‘network benefit’ requirement remains. These generators can still provide value, though generally in more limited or unpredictable ways.

Despite some contrary views, we continue to recommend that 2a remain focused on mass-market consumers. If the scope is expanded, the proposal should retain flexibility to enable innovative or contractual solutions for larger, more capable participants.

3.4 Benefits and signals

3.4.1 Consumer and DG benefits of DG

ENA notes the varied views on the expected benefits from installing a home solar system. We maintain, along with ERANZ, Meridian and some consumers, that the primary advantage for consumers is avoiding peak consumption charges through self-consumption, with the export value being a secondary benefit.

While some consumers highlight personal resilience and health benefits, these are individual gains, not reasons for EDB remuneration. However, we agree with submitters citing wider network and energy system benefits.

3.4.2 Network benefits

ENA concurs with the ECTF that DG can reduce peak demand and defer network investment when reliably deployed. However, inappropriate export timing increases network costs.

“If rebate amounts are to fairly represent the value distributed generation poses to the distribution network, they will be extremely variable and difficult for consumers to predict... Most consumers do not want to be exposed to the complexity of distributors’ variable prices and simply want a more predictable monthly bill. For those household consumers who do want to engage with this complexity, retail plans are already available.”¹²

ENA continues to support fair returns to consumers and passing on a share of cost savings, where relevant. If consumers are providing a beneficial service to EDBs, it is reasonable that they should be rewarded for this.

3.4.3 Wider system benefits

The 2a proposal mainly focuses on DG's distribution network benefits, but these are limited compared to broader sector-wide advantages. Several submitters argue that DG's broader system benefits, such as reducing the need for large-scale generation or transmission investment, should be

¹⁰ ERANZ, [R_ERANZ_2A_submission_2025.pdf](#), March 2025, page 3

¹¹ Genesis, [R_Genesis - 2A_Submission_2025.pdf](#), March 2025, page 3

¹² ERANZ, [R_ERANZ_2A_submission_2025.pdf](#), March 2025, page 2

considered. FlexForum and EEA emphasise the need for coordinated incentives across the entire electricity system.^{13,14}

ENA believes that spot price benefits outweigh network benefits, suggesting retailer rebates would better influence consumer decisions, a view supported by BEC.

While we acknowledge the numerous submissions referring to broader wellbeing and environmental benefits of electrification, these do not justify EDB-funded rebates, as they don't provide network cost savings and as such could transfer wealth from poorer consumers to those with DG systems.

We recommend that the ECTF reconsider whether EDB rebates are the most suitable solution to the proposed problem statement.

3.4.4 Temporal and locational differences

Many submissions argue for uniform nationwide rewards, overlooking the fact that network constraints are spatial and temporal. As noted by sector organisations, DG's benefits vary depending on location and timing, with some exports providing only temporary network relief or congestion being alleviated through network reconfiguration or investment. ENA shares concerns about the risks of inconsistent long-term price signals due to changing network conditions, recommending that ECTF carefully assess whether short-term benefits warrant this risk to DG investors.

3.4.5 Differences between Australia and New Zealand

Submissions often reference Australia, but differences between the two countries must be considered. New Zealand's solar generation does not align with high-demand periods like in Australia, where solar generation supports air conditioning loads during peak demand.

3.4.6 Concluding remarks on benefits and signals

As ERANZ reiterates: "To achieve the outcomes the Authority is seeking with their rebate proposal, injection rebates should reflect the value the injection provides to the network as closely as possible. If the rebate pricing methodology does not result in benefits to the network at-large, then the rebate system will end up costing more than the benefits it provides. This would both undermine the purpose of the rebate system and place disproportionate costs on the consumers who are least able to bear them."¹⁵

ENA advocates for rebates only when DG provides network benefits, avoiding "unintended and inefficient subsidies... ultimately funded by other consumers."¹⁶

The complexity and workability challenges of the 2a proposal risks undermining its objectives and ENA recommends the ECTF reconsider it.

3.5 Continued need for network investment

As noted in our previous submission, DG's peak demand injection provides limited network benefits and is unlikely to avoid or defer significant network investment. While price-based flexibility can offer some value, it lacks the reliability required for network planning. Distributors still need firm,

¹³ Flex Forum, [O FlexForum 2A 2BC submission 2025.pdf](#), March 2025, pages 4

¹⁴ EEA, [O EEA 2A2B2C submission 2025.pdf](#), March 2025, page 2

¹⁵ ERANZ, [R ERANZ 2A submission 2025.pdf](#), March 2025, page 5

¹⁶ ECTF, [Requiring distributors to pay a rebate when consumers supply electricity at peak times](#), 12 February 2025, page 15, paragraph 5.2

contracted flexibility for managing lower-voltage network constraints. As others state, price-based flexibility is discretionary and unreliable, meaning it won't reduce capital expenditure or deliver the expected benefits in the short to medium term. EDBs still have a pivotal role to play in the energy transition, including investment requirements.¹⁷

Some consumers have raised concerns that the 2a proposal could delay necessary network investment, undermining the long-term resilience and diversification of networks.^{18,19} They suggest DG may only serve as a temporary solution, preventing distributors from investing in capacity and infrastructure upgrades, particularly for large events like an Alpine Fault earthquake, which could occur during the lifespan of current infrastructure.

ENA recommends the ECTF undertake the necessary quantitative assessments to better understand these issues and how much network investment is realistically likely to be avoided from these proposals and factor this into a more comprehensive cost benefit analysis.

3.6 Innovation and market evolution

We highlighted in our submission that there was a risk the 2a proposals could stifle demand and innovation from flexibility providers and aggregators. We note that several other submitters also reference this risk and appreciate their clear articulation.

We disagree with submissions that suggest this risk is being overplayed in the context of the 2a proposal. We recommend that the ECTF refer to the relevant sections from the following submitters addressing this risk: ERANZ,²⁰ Meridian,²¹ EEA,²² BEC²³ and some consumers.²⁴ The ECTF should specifically address these concerns and risks in the final decision and any associated guidance, should the 2a proposal proceed.

3.7 Principles are more workable and enduring in times of change

We advocate for principles to be outside the Code, allowing for flexibility and easier amendments by the Authority as circumstances evolve. This approach supports the Authority's view that principles allow distributors to adapt over time, especially as more data becomes available, as well as being more in line with the Authority's Consultation Charter (the Charter).²⁵

While we note opinions on this vary considerably in the submissions, and some prefer the certainty and enforceability of Code-based rules, a principles-based approach is better suited to account for individual network circumstances, enabling distributors to tailor rebate payments to their needs.

Many submitters²⁶ seem to agree that principles offer the most appropriate solution and that distributors are best placed to identify where DG creates benefits on the networks and incentivise/reward it accordingly. The EEA suggests framing the principles as guiding design considerations, which

¹⁷ Boston Consulting Group, [delivering-the-energy-transition-will-come-down-to-the-wire.pdf](#), February 2025

¹⁸ Gavin Treadgold, [C_Gavin_Treadgold_2A_submission_2025.pdf](#), March 2025, page 3

¹⁹ Nu'uli'itia Andrew Redwood, [C_Nuuliitia_Andrew_Redwood_2A_submission_2025.pdf](#), March 2025, page 2

²⁰ ERANZ, [R_ERANZ_2A_submission_2025.pdf](#), March 2025, page 4

²¹ Meridian, [R_Meridian_2A_2BC_submission_2025.pdf](#), March 2025, page 3

²² EEA, [O_EEA_2A2B2C_submission_2025.pdf](#), March 2025, pages 2, 9 and 13

²³ Business Energy Council, [O_Business_Energy_Council_2A2B2C_submission_2025.pdf](#), March 2025, page 2

²⁴ Margy-Jean Malcolm, https://www.ea.govt.nz/documents/6864/C_Margy-Jean_Malcolm_2A_2BC_Submission.pdf, March 2025, page 1

²⁵ Electricity Authority, [New Consultation Charter](#), 27 February 2024

²⁶ Including Genesis, ERANZ, Octopus Energy, Meridian, EEA, Lastmyle and even some consumers

would better support innovation without imposing rigid obligations.²⁷ Voluntary principles outside the Code are favoured by many for their flexibility and adaptability.²⁸

A prescriptive approach could lead to rebates being paid when DG doesn't benefit the network. Genesis supports a principles-based approach, warning that premature regulation could stifle market development. ENA also agrees with ERANZ, recommending voluntary rebate mechanisms based on individual network needs rather than a mandatory framework.²⁹ As preferred in the Charter, the workability of rebates should be tested on a smaller scale before considering broad changes

We continue to recommend that 2a principles remain outside the Code, but if the ECTF favours a different approach, we suggest referencing them in the Code to give them weight while keeping the substance outside to allow flexibility.

3.8 Access to data

ENA strongly supports fair and reasonably priced data access for EDBs, as it is crucial for successful network transformation. Greater data visibility will improve price signalling accuracy in the 2a proposals. We are heartened to see this also emphasised by Mercury,³⁰ Meridian,³¹ FlexForum³² and the EEA.³³

Several submissions refer to the need for 'real-time' price signalling to generate the greatest benefits. The industry is unfortunately still a while away from having that level of dynamic response due to data constraints.

Meridian also highlights that system and registry upgrades would be necessary, adding time and cost to implementing the 2a proposals. They warn that without these upgrades, the outcomes for consumers would be limited.³⁴

ENA supports these submissions and continues to recommend that the ECTF and the Authority could generate greater whole-of-system benefits by progressing workstreams addressing the issue of fair and reasonable data access.

3.9 Consumer choice

Section 3.1.10 of our submission raised concerns about fair representation of the proposals to consumers and the likelihood that consumers may not change their behaviour as expected. As Genesis points out,³⁵ consumers may not be incentivised by benefit-reflective tariffs if the benefits are variable and tied to infrequent demand peaks. Consumers will likely require rebate certainty for investment decisions, but ensuring this certainty could undermine the goal of incentivising network-beneficial injections.

²⁷ EEA, [O EEA 2A2B2C submission 2025.pdf](#), March 2025, page 3

²⁸ Including ERANZ, Genesis, EEA, Meridian

²⁹ ERANZ, [R ERANZ 2A submission 2025.pdf](#), March 2025, page 1

³⁰ Mercury, [R Mercury 2A2B2C submission 2025.pdf](#), March 2025, page 2

³¹ Meridian, [R Meridian 2A 2BC submission 2025.pdf](#), March 2025, page 2

³² FlexForum, [O FlexForum 2A 2BC submission 2025.pdf](#) March 2025, page 5

³³ EEA, [O EEA 2A2B2C submission 2025.pdf](#), March 2025, page 9

³⁴ Meridian, [R Meridian 2A 2BC submission 2025.pdf](#), March 2025, page 2

³⁵ Genesis, [R Genesis - 2A Submission 2025.pdf](#), March 2025, pages 3-4

We also support the suggestions from Sea Rottman,³⁶ LETS³⁷ and EEA³⁸ with regard to the need for greater transparency, clear communication and a strong education campaign to help consumers understand their choices and the value they can offer, in order to reach the full potential of the 2a proposals.

ENA suggests there is a role for the Authority to play in ensuring consumers are well informed to meaningfully participate in the electricity system. There is perhaps also a role for the Authority to be canvassing and engaging with consumers to gauge their drivers, interests and barriers, especially with the increasing trend of consumer participation in the industry.

3.10 Cost benefit assessment and wealth transfer

We stated in our original submission that, whilst we understand what the ECTF is trying to achieve with the rebates proposed under the 2a paper, it is unlikely that the proposed rebate price signals would materially shift consumer behaviours, even if retailers did pass these signals on.

Many submitters agree with the view that behaviour is unlikely to be materially affected and that the costs are likely to outweigh the benefits, including: ERANZ,³⁹ Genesis,⁴⁰ Meridian,⁴¹ FlexForum⁴² and some consumers.⁴³

Moreover, many also support the view that there is a risk of wealth transfers: ERANZ,⁴⁴ Genesis,⁴⁵ Meridian⁴⁶ and the EEA.⁴⁷ Language used in relation to this risk includes ‘serious’, ‘material’, ‘disproportionate’ and ‘significant’.

Sea Rottman’s submission⁴⁸ also highlights some interesting analysis in relation to equity and consumer education.

We agree with the EEA’s summary that “While the proposed amendment seeks to standardise and mandate rebates for consumer exports at peak times, we are concerned it may result in distorted operational signals, implementation complexity, and unintended consequences that reduce efficiency in distribution pricing and flexibility procurement.”⁴⁹

We question whether the 2a proposals will achieve the desired impacts and believe other submissions offer further arguments against them. However, if the ECTF proceeds, we strongly recommend retaining the principle that rebates should only be paid when there are network benefits align to minimise wealth transfers.

³⁶ Sea Rottman, [New ways to empower electricity consumers](#), March 2025

³⁷ Lyttelton Energy Transition Society, [LETS Submission - New Ways to empower electricity consumers.docx](#), March 2025, page 3

³⁸ EEA, [O EEA 2A2B2C submission 2025.pdf](#), March 2025, page 3

³⁹ ERANZ, [R ERANZ 2A submission 2025.pdf](#), March 2025, pages 2 and 6

⁴⁰ Genesis, [R Genesis - 2A Submission 2025.pdf](#), March 2025, page 2

⁴¹ Meridian, [R Meridian 2A 2BC submission 2025.pdf](#), March 2025, pages 1 and 4

⁴² FlexForum, [O FlexForum 2A 2BC submission 2025.pdf](#), March 2025, page 4

⁴³ Gavin Treadgold, [C Gavin Treadgold 2A submission 2025.pdf](#), March 2025, page 4

⁴⁴ ERANZ, [R ERANZ 2A submission 2025.pdf](#), March 2025, pages 5-6

⁴⁵ Genesis, [R Genesis - 2A Submission 2025.pdf](#), March 2025, page 5

⁴⁶ Meridian, [R Meridian 2A 2BC submission 2025.pdf](#), March 2025, page 5

⁴⁷ EEA, [O EEA 2A2B2C submission 2025.pdf](#), March 2025, pages 10 and 13

⁴⁸ Sea Rottman, [New ways to empower electricity consumers](#), March 2025

⁴⁹ EEA, [O EEA 2A2B2C submission 2025.pdf](#), March 2025, page 14

3.11 Alternatives

We support the ECTF's rejection of prescribed rates and symmetrical tariffs, noting that Rewiring Aotearoa⁵⁰ advocates for symmetrical consumption-linked tariffs. While some groups prefer simplicity and certainty, the issues are complex and lack easy solutions. Key considerations include:

- Most consumers prefer predictable bills and don't want to deal with complex variable prices, though retail plans are available for those interested.⁵¹
- Distributed generation pricing should reflect network benefits, not mirror consumption charges.⁵²
- A simple approach doesn't account for varying network benefits at different times and locations.⁵³ That includes non-aligned benefits at different times between import and export on the network.
- Injection should be less than peak consumption to encourage conservation⁵⁴ and reflect dependency on the network and no guaranteed injection.⁵⁵

We continue to recommend that the ECTF avoid prescribed rates and consumption-linked tariffs, as these would likely increase wealth transfers, with poorer consumers subsidising those who can afford DG systems. Ultimately, ENA agrees with ERANZ and Genesis that the status quo is preferable, but we are working with the ECTF for the best outcomes should the proposal proceed.

3.12 Targeted interventions, consistent regulatory principles and overlapping/ repetitive regulation

We raised concerns that the ECTF and Authority are unfocused in their proposed regulatory interventions and are not prioritising those with the most material impacts. This could lead to regulatory overload, confusion and duplication. Mercury also points out that the Task Force's recommendations overlap with existing work, stressing the need for coordination to avoid costly duplication and allow time for intended outcomes.⁵⁶ We fully support this view.

EEA also encourages a coordinated approach to integrate this mechanism with other reforms, such as distributor-led procurement trials, trans-Tasman learnings and DSO developments, to avoid duplication and improve outcomes.⁵⁷ We fully support this view.

ENA continues to submit that to meaningfully address Aotearoa's energy system challenges, the Task Force should prioritise initiatives that can truly move the dial on security of supply and affordability. While the current proposals may have merit, they risk adding complexity with limited benefits and should be seen as complementary to more direct interventions in the wholesale market and should not be the Task Force's priorities at this stage.

⁵⁰ We note that in addition to its own submission, around 80 of the 'consumer' and 'other' responses have used Rewiring Aotearoa's suggested templates and arguments

⁵¹ ERANZ, [R ERANZ 2A submission 2025.pdf](#), March 2025, page 2

⁵² ERANZ, [R ERANZ 2A submission 2025.pdf](#), March 2025, page 5

⁵³ Octopus Energy, [Requiring distributors to pay a rebate when consumers supply electricity at peak times OE submission](#), March 2025, page 5

⁵⁴ Gavin Treadgold, [C Gavin Treadgold 2A submission 2025.pdf](#), March 2025, page 3

⁵⁵ Mark Robinson, [C Mark Robinson 2A submission 2025.pdf](#) March 2025, page 3

⁵⁶ Mercury, [R Mercury 2A2B2C submission 2025.pdf](#), March 2025, page 2

⁵⁷ EEA, [O EEA 2A2B2C submission 2025.pdf](#), March 2025, page 9

3.13 Implementation timeframes

ENA remains concerned about the proposed implementation timeframes, which seem too aggressive given the various implementation challenges highlighted in submissions – a view shared by several submitters including Lastmyle⁵⁸ and Meridian.⁵⁹ EEA shares concerns about the feasibility of the timeline, emphasising the technical and operational readiness required across multiple stakeholders.⁶⁰ We support EEA’s suggestion for phased implementation.

There are also a few submission references to the low user fixed charge (LFC) phase out. ERANZ uses reference to the LFC as an example of how it can be a long and costly process to unwind inequitable pricing regulations.⁶¹ A consumer notes the compliance complexity of managing more complex pricing structures alongside LFC requirements.⁶² Many of our members would agree that it can be very difficult to truly apply cost-reflective pricing while the LFC is still in operation and question the value of significant pricing reforms ahead of the phase out.

Additionally, we recommend the Task Force consider the interdependencies between the 2a proposal and the 2b/2c initiatives. Given the broad consensus that the 2a proposal is unlikely to have significant benefits for consumers or change their behaviour, we urge the Task Force to slow down the process, balancing urgency with materiality. Not every recommendation from the Authority or Task Force needs to be done at rapid pace.

3.14 Other practicalities

While we raised some practical implementation challenges in our original submission, we appreciate the broader examples identified by other submitters, particularly Mercury’s⁶³ and the EEA’s submissions,⁶⁴ which clarify practical considerations for the 2a proposals. We also refer to the ‘access to data’ section for further implications of technological changes required to implement this proposal.

Key considerations for the ECTF before finalising the 2a proposals include developing robust methodologies to assess network benefits, considering locational and temporal value, and ensuring these are practical and not overly burdensome for distributors. The ECTF should also consider workshops or technical forums to ensure a shared understanding and consistent application.

ENA also notes the recommendation that: “Relevant standards need to be updated before any of this is implemented (in particular ASNZS 5033 and 5139) or we will see a flood of poorly designed and installed systems.”⁶⁵ We encourage the Task Force to fully assess this risk and address any necessary standards, if required.

3.15 Sunset clauses and regulatory review

We stated in our submission that we also recommend a similar approach to the 2bc proposal with a sunset clause or implementing the proposal on a trial basis. At a minimum, the Authority should commit to a mandatory review of the changes after a few years to ensure they are generating the

⁵⁸ Lastmyle, [O Lastmyle LTD 2A submission 2025.pdf](#), March 2025, page 2

⁵⁹ Meridian, [R Meridian 2A 2BC submission 2025.pdf](#), March 2025, pages 4-5

⁶⁰ EEA, [O EEA 2A2B2C submission 2025.pdf](#), March 2025, page 8

⁶¹ ERANZ, [R ERANZ 2A submission 2025.pdf](#), March 2025, page 5

⁶² Nu’uli’itia Andrew Redwood, [C Nuuliitia Andrew Redwood 2A submission 2025.pdf](#), March 2025, page 3

⁶³ EEA, [O EEA 2A2B2C submission 2025.pdf](#), March 2025, page 13

⁶⁴ EEA, [O EEA 2A2B2C submission 2025.pdf](#), March 2025

⁶⁵ David Petrie, [New ways to empower electricity consumers](#), March 2025, page 12

expected benefits, aren't curtailing innovation and competition within demand flexibility and are fit for purpose.

We note that Mercury supports this view in their submission, stating that "an ex-post review would provide:

- regulatory certainty while allowing for course correction based on market developments;
- an opportunity to refine any compliance requirements which may not be adding value or that may need amending; and
- a prudent mechanism to assess whether the Code changes aligning with consumer preferences, particularly as that retail offerings are already available in the market."⁶⁶

ENA recommend the ECTF commit to a timely review of the proposal, should it be implemented, as well as a sunset clause to prevent the mechanism outliving its usefulness.

⁶⁶ Mercury, [R_Mercury_2A2B2C_submission_2025.pdf](#), March 2025, pages 4-5

Appendix A: ENA Members

Electricity Networks Aotearoa makes this submission along with the support of its members, listed below:

- Alpine Energy
- Aurora Energy
- Buller Electricity
- Centralines
- Counties Energy
- Electra
- EA Networks
- Firstlight Network
- Horizon Networks
- Mainpower
- Marlborough Lines
- Nelson Electricity
- Network Tasman
- Network Waitaki
- Northpower
- Orion New Zealand
- Powerco
- PowerNet (which manages The Power Company, Electricity Invercargill, OtagoNet and Lakeland Network)
- Scanpower
- Top Energy
- The Lines Company
- Unison Networks
- Vector
- Waipa Networks
- WEL Networks
- Wellington Electricity
- Westpower